

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 297 - SB 265

February 17, 2017

SUMMARY OF BILL: Reduces simple possession of marijuana from a class A misdemeanor to a class C misdemeanor punishable only by \$50 fine if the amount is one-eighth ounce or less.

ESTIMATED FISCAL IMPACT:

Decrease Local Revenue – \$583,800

Decrease Local Expenditures – \$175,200

Assumptions:

- Tennessee Code Annotated § 39-17-418 punishes simple possession of a controlled substance as a class A misdemeanor. Simple possession of marijuana is one-half ounce or less.
- Statistics from the Administrative Office of the Courts show an average of 1,946 class A misdemeanor convictions per year under Tenn. Code Ann. § 39-17-418 over the last five years. These statistics represent convictions at the state court level. It is assumed that only 10 percent of misdemeanor convictions are at the state court level. It is assumed that there are a total of 19,460 convictions ($1,946 \times 10$) per year for violations of Tenn. Code Ann. § 39-17-418.
- However, simple possession applies to all schedules of controlled substances. It is assumed that 60 percent of the 19,460 convictions ($19,460 \times 0.6 = 11,676$ convictions) relate to marijuana.
- Further, not all convictions involve an amount less than one-eighth ounce. It is assumed that 25 percent ($11,676 \text{ convictions} \times 0.25 = 2,919$ convictions) involve possession of one-eighth ounce or less.
- The potential punishment for a class A misdemeanor is up to 11 months, 29 days in jail, a fine up to \$2,500, or both. Rarely will a person convicted serve jail time for simple possession, much less 11 months, 29 days, or pay the maximum \$2,500 fine.
- It is assumed that the average fine for simple possession is currently \$250, which most defendants pay in full. The proposed legislation will result in each defendant paying a fine \$200 less than the current fine. The proposed legislation will result in a recurring decrease of local revenue estimated to be \$583,800 ($2,919 \text{ convictions} \times \200).

- Further, it is assumed that only 10 percent (2,919 convictions x 0.1 = 291.9 convictions) serve any jail time, and that the average time served is 10 days. The estimated 2017 cost per inmate per day for local jails is \$60.00.
- The proposed legislation will result in each defendant serving 10 days fewer than under current law. The proposed legislation will result in a recurring decrease of local incarceration costs estimated to be \$175,200 (292 convictions x \$60 per day x 10 days).
- The proposed legislation does not create any new cases, but merely changes the misdemeanor classification for some current offenses. It is assumed that the courts, district attorneys, and public defenders can accommodate the impact to their workload within their existing resources.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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